

Message Text

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PAGE 01 STATE 150439

61

ORIGIN EB-03

INFO OCT-01 ISO-00 /004 R

66618

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EB, ISO ONLY

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FM SECSTATE WASHDC

TO AMEMBASSY ROME

LIMITED OFFICIAL USE STATE 150439

FOR ASSISTANT SECRETARY ENDERS

FOLLOWING REPEAT STATE 150439 SENT ACTION SANTIAGO DTD 26 JUN 75

QUOTE:

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E.O. 11652: NA

TAGS: EFIN, CI

SUBJ: CHILE DEBT

REF: SANTIAGO 4463

1. ADVISE HOFFMAN THAT IT IS NOT RPT NOT POSSIBLE TO LOWER
OPIC INTEREST RATE FROM SEVEN PERCENT. HOWEVER, U.S. DOES
RPT DOES ALREADY PLAN TO INCLUDE ESCUDO MOV PAYMENTS IN RE-
SCHEDULING. THIS WAS TAKEN INTO ACCOUNT IN CALCULATING
6.17 PERCENT WEIGHTED AVERAGE INTEREST RATE. SINCE IT IS
APPARENT THAT WITH INCLUSION OF THESE PAYMENTS GOC CALCULA-
TIONS WOULD SHOW LOWER WEIGHTED AVERAGE THAN 6.17 PERCENT,
QUESTION OF RECONCILING AMOUNTS DUE BETWEEN GOC REP AND
VARIOUS U.S. AGENCIES WILL SHOW ULTIMATE WEIGHTED AVERAGE
FIGURE.

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2. WOULD APPRECIATE IMMEDIATE CLARIFICATION FROM HOFFMAN REGARDING FIGURES HE USED FOR AID LOANS TO ARRIVE AT INTEREST RATE CITED REFTEL-

3. IN CALCULATING WEIGHTED INTEREST RATE OF 6.17 PERCENT, U.S. INCLUDED AID LOAN REPAYMENTS TALLING DOLS 16.1 MILLION. THESE DISAGGREGATE AS FOLLOWS: DEVELOPMENT LOANS UNDER 40 YEARS-PRINCIPAL-3.1 MILLION; INTEREST 7 MILLION; TOTAL-3.8 MILLION. DEVELOPMENT LOANS-40 YEARS-PRINCIPAL-7.2 MILLION; INTEREST -5.1 MILLION; TOTAL-12.3 MILLION.

4. LOANS WHICH ARE INCLUDED ARE SAME AS THOSE LISTED IN LAST YEAR'S AGREEMENT. IN THIS CONNECTION, U.S. ALREADY PLANNED TO RESCHEDULE ESCUDO PAYMENTS DUE AS RESULT OF MAINTENANCE OF VALUE PROVISIONS AND THESE ARE INCLUDED IN FIGURES LISTED IN PARA 2. SPECIFICALLY, THESE WOULD BE FOR LOANS WITH MATURITIES LESS THAN 40 YEARS NUMBERED 513-8002, G003, A006, AND 9A, A010 AND 10A.

5. DISCREPANCIES ON FIGURES CAN BE SETTLED DURING GOC REPRESENTATIVES VISIT IN COMING WEEKS. WE AGREE WITH HOFFMAN THAT AGREEMENT SHOULD, IF AT ALL POSSIBLE, BE SIGNED BY JULY 3. KISSINGER UNQUOTE KISSINGER

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
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Concepts: LOAN AGREEMENTS, DEBT REPAYMENTS, INTEREST RATES, DIPLOMATIC COMMUNICATIONS
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Copy: SINGLE
Draft Date: 27 JUN 1975
Decaption Date: 01 JAN 1960
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Disposition Action: RELEASED
Disposition Approved on Date:
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Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
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Margaret P. Grafeld
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06 JUL 2006

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